REMARKS/ARGUMENTS

In response to the Office Action mailed April 1, 2005, the cited prior art references have been reviewed, and the Examiner's claim objections and rejections have been considered. Applicants specifically traverse all objections and rejections regarding all pending claims and earnestly solicit allowance of these claims.

1. Claim Rejections under 35 U.S.C. § 103(a) – Claims 31 and 34-37

The Examiner rejected claims 31 and 34-37 under 35 USC §103(a) as being unpatentable over Lucero (U.S. Patent No. 5,038,022) in view of Capers (U.S. Patent No. 4,669,596) further in view of Perrie et al (U.S. Patent No. 6,173,955). More specifically, the Examiner contends that Lucero teaches all the elements in the recited independent claims except for the process used to adapt or to create a gaming machine having a card reading embodiment. To make up for the deficiency, the Examiner cites Capers as disclosing a method for retrofitting gaming machines to accept coded cards, as disclosed by Lucero. Furthermore, the Examiner cites Perrie as disclosing a gaming machine wherein a cash out button serves the dual purpose of being able to cash out coins, as well as, credit a smart card.

For the sake of brevity, the rejections of the independent claims 31 and 37 are discussed in detail on the understanding that the dependent claims are also patentably distinct over the prior art, as they depend directly from their respective independent claims. Nevertheless, the dependent claims include additional features that, in combination with those of the independent claims, provide further, separate, and independent bases for patentability.

In response, the Applicants respectfully traverse the Examiner's characterization of the Lucero and Perrie references. More specifically, the Applicants submit that Lucero does not teach or disclose the retrofitting of an existing gaming machine for cashless gaming. With respect to Perrie, the Applicants submit that this reference does not teach or disclose a gaming machine where a player can cash out either cash or credit.

However, the Applicants submit that these traversals are moot as a prima facie case of obviousness has not been established. In particular, the Applicants respectfully submit that Lucero, Capers, and Perrie, either alone or in combination, fail to disclose all the elements

recited in the claims. It is respectfully submitted that the combination of these references fails to disclose "an interception and emulation unit" that is retrofitted to a gaming machine as recited in the claimed invention. It is respectfully submitted that Lucero does not disclose a gaming machine wherein a cash-less transaction system is retrofitted to a gaming machine. Rather, Lucero teaches a gaming machine designed, at the outset, to have both cash and cashless transaction units. Likewise, Perrie does not teach a gaming device wherein a cash-less transaction system is retrofitted to the gaming machine. Because the gaming devices disclosed in Lucero and Perrie are not retrofitted with a cashless transaction system, they do not require nor disclose "an interception and emulation unit" as recited in claims 31 and 37. While Capers teaches that a vending machine may be retrofitted with a coded card system, the Capers reference also does not disclose "the interception and emulation unit" as recited in independent claims 31 and 37. Accordingly, the Applicants respectfully submit that the 35 USC §103(a) rejection of claims 31, 34-37 has been overcome as Lucero, Capers, and Perrie, either alone or in combination, fail to teach or suggest "an interception and emulation unit" that is retrofitted to a gaming machine to provide cashless transactions.

2. Claim Rejections under 35 USC § 103(a) – Claims 32-33, 38-39

With respect to claims 32-33 and 38-39, the Examiner asserts that these claims are unpatentable over Lucero in view of Capers, further in view of Perrie, and further in view of Crevelt (U.S. Patent No. 5,092,983). The Examiner's arguments regarding Lucero, Capers, and Perrie have been discussed in Section 1 of this response. The Examiner states that Crevelt discloses "a gaming machine adapted for cashless transfer."

In response, the Applicants note that claims 32-33 and 38-39 are dependent claims that depend from independent claims 31 and 37, respectively. In light of the arguments submitted in Section 1 of this response, the Applicants respectfully submit that dependent claims 32-33 and 38-39 are not obvious in view of the combination of Lucero, Capers, Perrie, and Crevelt because these references, alone or in combination, fail to teach or suggest "an interception and emulation unit" that is retrofitted to a gaming machine to provide cashless transactions. Moreover, these dependent claims further recite and define the present invention, and thus, are independently

patentable. In conclusion, the Applicants respectfully submit that the 35 USC §103(a) rejection of claims 32-33 and 38-39 has been overcome.

3. Claim Rejections under 35 USC § 103(a) – Claim 34

With respect to claim 34, the Examiner asserts that these claims are unpatentable over Lucero in view of Capers, further in view of Perrie, and further in view of Nutting et al. (U.S. Patent No. 4,093,232).

In response, the Applicants note that claim 34 is dependent claims that depend from independent claim 31. In light of the arguments submitted in Section 1 of this response, the Applicants respectfully submit that dependent claim 34 is not obvious in view of the combination of Lucero, Capers, Perrie, and Nutting because these references, alone or in combination, fail to teach or suggest "an interception and emulation unit" that is retrofitted to a gaming machine to provide cashless transactions. Moreover, this dependent claim further recites and defines the present invention, and thus, are independently patentable. In conclusion, the Applicants respectfully submit that the 35 USC §103(a) rejection of claim 34 has been overcome.

CONCLUSION

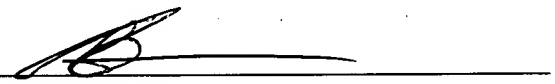
Applicants have made an earnest and *bona fide* effort to clarify the issues before the Examiner and to place this case in condition for allowance. In view of the foregoing discussions, it is believed clear that the differences between the claimed invention and the prior art are such that the claimed invention is patentably distinct over the prior art. Therefore, reconsideration and allowance of claims 31-39 is believed to be in order, and an early Notice of Allowance to this effect is respectfully requested.

This response is timely filed and no fee is believed due with the submission of this paper. However, if the Applicant is mistaken, the Commissioner is hereby authorized to charge any required fees from Deposit Account No. 502811, Deposit Account Name BROWN RAYSMAN MILLSTEIN FELDER & STEINER.

If the Examiner should have any questions concerning the foregoing, the Examiner is invited to telephone the undersigned attorney at (310) 712-8323. The undersigned attorney can normally be reached Monday through Friday from about 9:30 AM to 6:30 PM Pacific Time.

Respectfully submitted,

Dated: June 30, 2005



Andrew B. Chen
Reg. No. 48,508
Attorney for Applicants
BROWN RAYSMAN MILLSTEIN FELDER & STEINER LLP
1880 Century Park East, 12th Floor
Los Angeles, CA 90067-1621
(310) 712-8323 telephone
(310) 712-8383 facsimile